



**UNITED STATES OF AMERICA
DEPARTMENT OF TRANSPORTATION
OFFICE OF THE SECRETARY
WASHINGTON, D.C.**

Issued by the Department of Transportation
on the 27th day of April, 2004

Essential Air Service at

GRAND ISLAND, NEBRASKA

under 49 U.S.C. 41731 *et seq.*

Served: April 30, 2004

DOCKET OST-2002-13983

ORDER EXTENDING SERVICE OBLIGATION

Summary

By this order, the Department of Transportation extends the service obligation of Great Lakes Aviation, Ltd. (Great Lakes), at Grand Island, Nebraska, for an additional 30 days, through [June 2, 2004](#).

Background

On December 2, 2002, Great Lakes filed a 90-day notice of its intent to suspend its unsubsidized service at Grand Island, effective March 3, 2003. By Order 2003-2-10, February 12, 2003, the Department prohibited Great Lakes from suspending service beyond the end of its 90-day notice period, through April 2, 2003, and requested proposals, with subsidy if necessary, from carriers interested in providing replacement service. As required by 49 U.S.C. 41734, we have extended Great Lakes' service obligation for additional 30-day periods, the latest through [May 3, 2004](#), by [Order 2004-4-5](#).

Because rate negotiations had stalled, we recently reissued a Request for Proposals for six communities in Nebraska, including Grand Island. (See Order 2003-12-2.) By Order 2004-3-9, March 12, 2004, the Department set past-period and prospective subsidy rates for Great Lakes' service at Grand Island, while the carrier selection case is being processed. The past-period rate was set at \$1,041,184 for the period March 3, 2003, through January 31, 2004. The prospective rate was set at \$866,464, effective February 1, 2004, until further Department action.

Although we have received proposals, this case will not be completed before the end of the current hold-in period. Therefore in accordance with 49 U.S.C. 41734(c), we will extend Great Lakes' service obligation at Grand Island for an additional 30 days, or until reliable replacement service actually begins, whichever occurs first.

This order is issued under authority assigned in 14 CFR 385.12(k)(5).

ACCORDINGLY,

1. We require Great Lakes Aviation, Ltd., to maintain essential air service at Grand Island, Nebraska, consisting of at least three daily nonstop or one-stop round trips to Denver, for an additional 30-day period, through [June 2, 2004](#), or until reliable replacement service actually begins, whichever occurs first;¹
2. We direct Great Lakes to retain all books, records, and other source and summary documentation to support subsidy claims for payment, and to preserve and maintain such documentation in a manner that readily permits its audit and examination by representatives of the Department. Such documentation shall be retained for seven years or until the Department indicates that the records may be destroyed, whichever comes first. Copies of flight logs for aircraft sold or disposed of must be retained. The carrier may forfeit its compensation for any claim that is not supported under the terms of this order;
3. Docket OST-2002-13983, will remain open until further order of the Department; and
4. We will serve a copy of this order on the Mayor and Airport Manager of Grand Island, and Great Lakes Aviation.

Persons entitled to petition the Department for review of this order under the Department's Regulations, 14 CFR 385.50, must file such petitions within ten (10) days after the date of service of this order.

This order will be effective immediately, and the filing of a petition for review shall not preclude its effectiveness.

By:

RANDALL D. BENNETT
Director
Office of Aviation Analysis

(SEAL)

*An electronic version of this document is available on the World Wide Web at
<http://dms.dot.gov>*

¹ In accordance with 49 U.S.C. 41734(c), we will extend Great Lakes' service obligation for successive 30-day periods, as necessary, until replacement service actually begins.